

THE HONORABLE JOHN C. COUGHENOUR

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UNITED STATES DISTRICT COURT

WESTERN DISTRICT OF WASHINGTON

UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,

Plaintiff,

v.

RONALD A. FOSSUM, JR. and
ALONZO R. CAHOON,

Defendants.

Case No.: 2:17-cv-01894-JCC

**AGREED MOTION FOR FINAL
JUDGMENT AS TO DEFENDANT
RONALD A. FOSSUM**

**Note for Consideration:
June 1, 2018**

Plaintiff the United States Securities and Exchange Commission ("SEC") submits this agreed motion requesting that the Court enter judgment of permanent injunction against Defendant Ronald A. Fossum, Jr. ("Fossum"), pursuant to Fed. R. Civ. P. 65(d), and order him to pay disgorgement, prejudgment and post judgment interest, and a civil penalty. This agreed motion is submitted based upon

1 Mr. Fossum's Consent, which is filed with this motion. Mr. Fossum agreed in
2 paragraph 14 of his Consent that the SEC may present this motion, his Consent,
3 and the proposed final judgment to the Court without further notice. Undersigned
4 counsel conferred with Mr. Fossum's attorney by telephone on May 31, 2018, and
5 he has no objection to the SEC submitting the motion for entry of final judgment
6 against Mr. Fossum.
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9 The SEC filed its Complaint in this matter on December 19, 2017 [ECF No.
10 1]. The SEC alleged that in connection with his sale of securities to investors, Mr.
11 Fossum engaged in various violations of the federal securities laws, including the
12 securities registration, anti-fraud, broker-dealer registration and the prohibited
13 transactions by an investment adviser contained in Sections 5(a), 5(c) and 17(a) of
14 the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e(a), 77e(c) and
15 77q(a)]; Sections 10(b) and 15(a) of the Securities Exchange Act of 1934
16 ("Exchange Act") and Rule 10b-5 thereunder [15 U.S.C. § 78j(b) and 17 C.F.R. §
17 240.10b-5]; and Sections 206(1) and (2) of the Investment Advisers Act of 1940
18 ("Advisers Act") [15 U.S.C. § 80b-6(1) and (2)].
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22 Mr. Fossum was served with the summons and Complaint on January 18,
23 2018 [ECF No. 7].
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25 On April 16, 2018, Mr. Fossum signed the attached Consent in which he
26 admits to the Court's jurisdiction over him and the subject matter of this action and
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1 agrees to entry of the proposed Final Judgment that is submitted with this motion.
2 Without admitting or denying the allegations of the Complaint, Mr. Fossum
3 consented to entry of a permanent injunction that prohibits him from violating
4 Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 (“Securities Act”) [15
5 U.S.C. §§ 77e(a), 77e(c) and 77q(a)]; Sections 10(b) and 15(a) of the Securities
6 Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder [15 U.S.C. §
7 78j(b) and 17 C.F.R. § 240.10b-5]; and Sections 206(1) and (2) of the Investment
8 Advisers Act of 1940 (“Advisers Act”) [15 U.S.C. § 80b-6(1) and (2)], and
9 permanently restrains and enjoins him from, directly or indirectly, including, but
10 not limited to, through any entity owned or controlled by the Defendant,
11 participating in the issuance, purchase, offer, or sale of any security; provided,
12 however, that such injunction shall not prevent the Defendant from purchasing or
13 selling securities for his own personal account.

14 In addition, Mr. Fossum consented to entry of an order requiring him to pay
15 disgorgement in the amount of \$840,729.42, plus prejudgment interest thereon in
16 the amount of \$110,823.04; and a civil penalty in the amount of \$320,000 under
17 Section 20(d)(1) of the Securities Act, Section 21(d)(3)(A) of the Exchange Act,
18 and Section 209(e) of the Advisers Act [15 U.S.C. §§ 77t(d)(1), 78u(d)(3)(A), and
19 80b-9(e)].
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1 Mr. Fossum waived findings of fact and conclusions of law pursuant to Fed.
2 R. Civ. P. 52. He also waived the right to a jury trial, and to appeal from the entry
3 of the Final Judgment. The proposed Final Judgment resolves all issues related to
4 Mr. Fossum. Although the SEC continues to pursue its claims against the second
5 defendant, Alonzo Cahoon, the SEC requests that the Court enter Final Judgment
6 against Mr. Fossum under Fed. R. Civ. P. 54(b) as there is no just reason to delay.
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9 The SEC respectfully requests that the Court enter the proposed Final
10 Judgment As To Defendant Ronald A. Fossum, Jr.
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13 Dated: June 1, 2018
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15 By: /s/ Leslie J. Hughes
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CERTIFICATE OF SERVICE

I hereby certify that on June 1, 2018, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system. I have sent the foregoing by the following means to the defendants, as follows:

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By: s/ Elinor E. Blomgren

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